

### *CO2 Enhanced Oil Recovery Has Potential to Double U.S. Oil Reserves*

Washington, DC - A diverse group of Congressional members who support expanded “Clean Energy” project development are calling on the President to expedite the regulatory process under which carbon dioxide (CO<sub>2</sub>) enhanced oil recovery (EOR) operators will be able to certify projects as geologic sequestration. The goal, according to Congressman Harry Teague (D-NM), one of the 25 Members of Congress who signed a letter to President Obama, is to ensure the development of several new energy projects throughout the United States that have as a central component CO<sub>2</sub> capture and storage (CCS) through CO<sub>2</sub> injection into old U.S. oilfields.

“We are in a new age of clean energy project development that will allow us to use American natural resources in new and cleaner ways. Using CO<sub>2</sub> to enhance oil recovery will make our nation more energy independent and will create more American energy jobs. But we are waiting on reasonable regulations from EPA on monitoring that is both technically and economically feasible, as well as reporting and verification standards that help energy project developers who want to utilize CO<sub>2</sub>-EOR to safely and securely capture and store large volumes of manmade CO<sub>2</sub> emissions” said Congressman Harry Teague.

Recently, the U.S. Environmental Protection Agency proposed new rules governing CO<sub>2</sub>-EOR monitoring, reporting and verification (MRV) standards and accepted public comment. Adoption of reasonable MRV regulations is considered crucial for clean energy project developers to establish certainty that CCS utilizing CO<sub>2</sub>-EOR is recognized and approved by federal environmental regulators.

President Obama has outlined an ambitious goal of bringing 5-10 commercial CCS demonstration projects online by 2016. In addition, the DOE announced their initial awards for 12 large scale industrial CCS projects from industrial sources last fall. CO2-EOR is likely to be a significant part of many of these planned projects. EPA's rulemaking, expected later this fall or early next year will be a significant factor in determining if CO2-EOR can be utilized in a cost-effective manner for CCS projects.

"I am encouraged by EPA's commitment to effective and practical GHG reporting standards for EOR operations, and support adaptive standards for CO2 EOR operations that seek recognition for geologic sequestration. Oil and gas regulators in states where EOR has been underway for many years possess significant scientific and technical expertise and play a strong role in this arena. I urge EPA to collaborate with them on the development of these standards," said Bill Albrecht, president of Occidental Oil and Gas Corporation, U.S.A.

Reducing foreign oil imports to the United States is a major benefit of CO2-EOR CCS. The U.S. Department of Energy conservatively estimates that as much as 48 billion barrels of "stranded" oil could be produced from old and depleted American oilfields utilizing CO2-EOR – more than twice the recognized recoverable U.S. reserves currently available today. Producing these hard to get reserves will require new industrial sources of CO2.

"This is a win-win-win for the nation. Deployment of a new generation of clean energy development, projects that produce good paying jobs, and reducing our dependence of foreign oil imports by utilizing American natural resources that in turn will produce significant new supplies of American oil from old oilfields, " said Congressman Ciro Rodriguez (D-TX).

